



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

0005

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

March 25, 2003

Sandy Nell
13171 South 3300 West
Riverton, Utah 84065

Re: Acceptance of Notice of Intention to Commence Small Mining Operations, Kerry Project, S/021/034, Iron County, Utah

Dear Mr. Nell:

Thank you for your Notice of Intention to Commence Small Mining Operations and initial \$150.00 permit application fee, received by the Division on March 12, 2003. The proposed Kerry Project is located in the SE1/4 of NW1/4 of Section 33, T31S R16W, SLBM, Iron County, Utah. Because of a Memorandum of Agreement between this Division and the Utah Division of State History, we are required to notify them of any proposed mining projects in the state so they can check to see if there are any archaeological or historical concerns in the proposed mining area. We have not received any word from State History; therefore, the Division is proceeding with our review of your notice.

The application is considered complete and no additional information is required by the Division at this time. **You may commence with your mining operations as outlined, provided you have satisfied and received written acceptance from the Bureau of Land Management. Please be advised that if you encounter any archaeological or historical concerns, you are to immediately cease operations and notify this office, the BLM and State History of your find.**

In accordance with rule R647-3-105 regarding the project location, the areas to be disturbed should be plotted on a map in sufficient detail so that they can be located on the ground. **It is also required that the operator mark the proposed (5 acre or less) disturbed area boundary (including access/haul roads) in the field with metal T-Posts (or with some other marker of equal effectiveness). Markers must be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye. Please complete this activity within the next 30 days and notify the Division upon completion.**

The acceptance of this notice is for a small mining operation only, **not to exceed five acres.** Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements. Approval of a large mining notice could take from six to twelve months or longer.

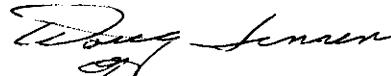
Page 2
Sandy Nell
S/021/034
March 25, 2003

The Utah Mined Land Reclamation Act of 1975 [40-8-7(I)] provides the authority for fee implementation which was approved by the Utah Legislature at its 1998 session. Commencing July 1, 2002, and annually thereafter, the fees were increased to \$150.00 for small mining notices.

For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices," and the statutory penalty for failure to reclaim a minesite (SMO-1). Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely,



Doug Jensen
Senior Reclamation Engineer

jb
Enclosure: SMO summary
cc: Ed Ginouves, BLM, Cedar City FO
O:\M021-Iron\S0210034-Kerry Project\Final\apvl-03252003.doc